

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA**

UGOCHUKWU GOODLUCK NWAUZOR,
FERNANDO AGUIRRE-URBINA,
individually and on behalf of all those
similarly situated,

Plaintiffs/Counter-Defendants,

v.

THE GEO GROUP, INC.,

Defendant/Counter-Claimant.

Case No. 3:17-cv-05769-RJB

STATE OF WASHINGTON,

Plaintiff,

v.

THE GEO GROUP, INC.,

Defendant.

Case No. 3:17-cv-05806-RJB

**DEFENDANT THE GEO GROUP, INC'S
MOTION TO STAY ENFORCEMENT OF
JUDGMENT PENDING APPEAL AND FOR
WAIVER OF SUPERSEDEAS BOND**

**NOTED FOR CONSIDERATION
November 19, 2021**

I. INTRODUCTION AND RELIEF REQUESTED

Pursuant to Federal Rule of Civil Procedure 62(b), Defendant The GEO Group, Inc. ("GEO") moves this Court to stay execution of the Judgments in favor of the State and Class Plaintiffs pending disposition of GEO's forthcoming appeals to the Ninth Circuit Court of Appeals. GEO further asks the Court to waive any bond requirement.

II. BACKGROUND

GEO is appealing various rulings, orders, and judgments from the joint trial in this matter including the \$17,287,063.05 Judgment in favor of the Class Plaintiffs (*Nwauzor*, C17-5769, Dkt.

522) and the \$5,950,340.00 Judgment in favor of the State of Washington (*Washington*, C17-5806, Dkt. 630) (together, the “Judgments”). GEO will request that the Ninth Circuit reverse the Judgments in their entirety.

GEO’s publicly available balance sheet—as well as the State and Class Plaintiffs’ repeated arguments during trial—establish that GEO is a profitable company that objectively has enough cash on hand to pay the Judgments many times over. For example, GEO’s most recent quarterly report¹ shows quarterly income of over \$41 million, a net positive balance sheet of over \$1 billion, and cash and cash equivalents of over \$537 million.

It is well known that supersedeas bondsmen charge between 2%-5% of the total amount of the bond. Accordingly, a supersedeas bond for 120% of the total Judgments will likely cost GEO between \$550,000 and \$1.4 million.

III. ARGUMENT AND AUTHORITY

Parties may stay execution of a money judgment as a matter of right upon the posting of a bond pursuant Rule 62(b). *See* Fed. R. Civ. P. 62(b); *American Mfrs. Mut. Ins. Co. v. American Broadcasting-Paramount Theatres, Inc.*, 87 S. Ct. 1, 3 (1966). District courts have “inherent discretionary authority” to set supersedeas bonds to protect appellees from a loss resulting from the stay. *Rachel v. Banana Republic, Inc.*, 831 F.2d 1503, 1505 n.1 (9th Cir. 1987). Included in this broad discretion is the power to allow other forms of judgment guarantee and the power to waive the bond requirement altogether. *Townsend v. Holman Consulting Corp.*, 881 F.2d 788, 796-97 (9th Cir.1989). A waiver of the bond requirement is appropriate where “the defendant’s ability to pay the judgment is so plain that the cost of the bond would be a waste of money”. *Olympia Equip. Leasing Co. v. W. Union Tel. Co.*, 786 F.2d 794, 796 (7th Cir. 1986).

In this case, the cost of bond—potentially as much as \$1.4 million—is plainly a waste of money. The total amount of the Judgments is \$23,237,403. Even accounting for post-judgment interest, GEO has cash and cash equivalents on hand to pay the Judgments twenty times over. By all accounts, including the State’s and Class Plaintiffs’ statements at trial, GEO is a profitable and

¹ GEO’s most recent quarterly report, dated November 4, 2021, is attached to the Declaration of Al Roundtree.

1 healthy company. In these circumstances, the State and Class Plaintiffs bear no risk of loss
 2 resulting from a Rule 62(b) stay. Instead, the State's and Class Plaintiffs' interests are adequately
 3 protected by GEO's plain ability to pay an eventual judgment, if any, and there is no reason why
 4 the Court should require GEO to post a costly and wasteful bond.

5 IV. CONCLUSION

6 Based on the foregoing, GEO respectfully asks that this Court stay an execution of, or any
 7 proceedings to enforce, the noted Judgments pending outcome of the appeal to the Ninth Circuit
 8 Court of Appeals and that it do so without requiring GEO to post a bond, or in the alternative, that
 9 it require a reduced bond.

10 Respectfully submitted this 4th day of November, 2021.

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PROOF OF SERVICE

I hereby certify I electronically filed and served the foregoing document pursuant to Federal Rule of Civil Procedure 5(b) via the Court's CM/ECF system on the following:

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